Income tax notices

3296. SHRIMATI CHANDRESH KUMARI: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Department has issued notices to large number of people including Members of the State Government of Himachal Pradesh seeking details of their income and tax retuns if ever filed by them in Shimla or any other station;

(b) if so, the details thereof alongwith names of persons to whom such notices have been issued;

(c) whether Government propose to take action in the matter in case where notices are not responded within prescribed time limit; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DHANANJAY KUMAR): (a) The Income tax Department, Shimla, has sought certain information from the Members of State Legislature about whether they have applied for PAN and whether they are filing the returns of income.The courtesy letter issued by the Department could not be considered a statutory notice under the Income tax Act, 1961, for filing returns of income.

(b) Does not arise in view of (a) above.

(c) and (d) As mere courtesy letters have been issued no statutory action is required to be taken against those who have not responded to the Department's communication. However, all such persons will be assisted by the Department to file Form No. 49A so that PAN could be allotted to them.

Fiscal health of the country

3297. SHRI GHULAM NABI AZAD: Will the Minister of FINANCE be pleased to state:

(a) whether despite the improved economic growth, the fiscal health of the country is a matter of grave concern; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VEKHE PATIL): (a) and (b) The overall growth in real gross

domestic product during 1999-2000 is estimated at 5.9 per cent compared with a growth of 6.8 per cent in 1998-99. The gross fiscal deficit as a proportion of gross domestic product for 2000-2001 is budgeted at a lower level of 5.1 per cent compared with the revised estimate of 5.6 per cent for 1999-2000. The Budget for 2000-2001 balances the need for fiscal consolidation with the need to nurture the recovery phase of a growth cycle.

Utilisation of Central assistance released to Orissa

3298. SHRI ANANTA SETHI: Will the Minister of FINANCE be pleased to state:

(a) the amount of Central assistance released by Government to Orissa to combat the super cyclone in the State;

(b) whether the entire Central assistance has been spent, and

(c) if not, the amount yet to be utilised to meet the requirement in the super cyclone affected areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VEKHE PATIL): (a) Central Assistance to the tune of Rs. 870.65 crores was released to the State Government of Orissa, which consisted of the entire Central share of Rs. 42.50 crores towards the Calamity Relief Fund (CRF) of the State and Rs. 828.15 crores from the National Fund for Calamity Relief (NFCR);

(b) and (c) The Government of Orissa have set up the Orissa State Disaster Mitigation Authority for relief, rehabilitation and re-construction in the affected areas. Further follow-up action is required to be taken by the State Government and the Authority.

Revamping of banking system

3299. SHRI ANANTA SETH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal to revamp the banking system in the country;

(b) if so, the measures listed therefore; and

(c) the details of the steps taken to adopt those measures to revamp the banking system?